

Agency Legislative Budget

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	124.77	0.20	0.00	124.97	0.20	0.00	130.14	130.14
Personal Services	7,131,990	627,728	(58,830)	7,700,888	619,277	(53,539)	7,697,728	15,398,616
Operating Expenses	1,916,296	554,387	200,000	2,670,683	326,066	0	2,242,362	4,913,045
Equipment	98,375	(3,124)	0	95,251	(33,375)	0	65,000	160,251
Total Costs	\$9,146,661	\$1,178,991	\$141,170	\$10,466,822	\$911,968	(\$53,539)	\$10,005,090	\$20,471,912
General Fund	7,055,185	852,171	200,000	8,107,356	1,208,448	0	8,263,633	16,370,989
State/Other Special	2,091,476	326,820	(58,830)	2,359,466	(296,480)	(53,539)	1,741,457	4,100,923
Total Funds	\$9,146,661	\$1,178,991	\$141,170	\$10,466,822	\$911,968	(\$53,539)	\$10,005,090	\$20,471,912

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Executive Budget Comparison

The following table compares the legislative budget for the 2007 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2004	Executive Budget Fiscal 2006	Legislative Budget Fiscal 2006	Leg – Exec. Difference Fiscal 2006	Executive Budget Fiscal 2007	Legislative Budget Fiscal 2007	Leg – Exec. Difference Fiscal 2007	Biennium Difference Fiscal 06-07
FTE	124.77	124.97	124.97	0.00	130.14	130.14	0.00	
Personal Services	7,131,990	7,773,236	7,700,888	(72,348)	7,751,267	7,697,728	(53,539)	(125,887)
Operating Expenses	1,916,296	2,902,952	2,670,683	(232,269)	2,373,913	2,242,362	(131,551)	(363,820)
Equipment	98,375	103,000	95,251	(7,749)	65,000	65,000	0	(7,749)
Total Costs	\$9,146,661	\$10,779,188	\$10,466,822	(\$312,366)	\$10,190,180	\$10,005,090	(\$185,090)	(\$497,456)
General Fund	7,055,185	8,360,892	8,107,356	(253,536)	8,395,184	8,263,633	(131,551)	(385,087)
State/Other Special	2,091,476	2,418,296	2,359,466	(58,830)	1,794,996	1,741,457	(53,539)	(112,369)
Total Funds	\$9,146,661	\$10,779,188	\$10,466,822	(\$312,366)	\$10,190,180	\$10,005,090	(\$185,090)	(\$497,456)

The legislature reduced the budget as published in the executive budget by \$385,087 general fund and \$112,369 state special revenue. The legislature eliminated: 1) expansion of audio minutes for the 2007 session; 2) the upgrade of existing laptop computers for use by legislators; 3) contracting the development and initial implementation of a disaster recovery and security plan for mission-critical systems; 4) legislative participation in regional and national organizations; and 5) dues to the Council of State Governments. The legislature also applied vacancy savings of \$112,369 for a state special revenue reduction, and approved a \$200,000 general fund appropriation to Legislative Services to support an interim study on school funding, should one be needed.

Legislative participation was eliminated for: 1) the Legislative Council on River Governance, which is comprised of legislators from Montana, Oregon, Idaho, and Washington working to unite states on an agenda of legislative action over natural resources and river governance issues; 2) the Pacific Northwest Economic Region, which is an international organization promoting greater regional collaboration among the states of Alaska, Idaho, Montana, Oregon, and Washington, the provinces of Alberta and British Columbia, and the Yukon Territory; and 3) the Council of State Governments, a national organization, which is an interstate organization that provides research, technical assistance, and training to states.

Agency Highlights

Legislative Branch Major Budget Highlights	
♦	The increase of \$307,500 over the 2005 biennium is primarily due to: <ul style="list-style-type: none"> • A \$200,000 contingent appropriation to allow Legislative Services to undertake an interim study on school funding if so directed by legislation • \$107,500 for: <ul style="list-style-type: none"> ○ costs related to the next legislative session that occur in FY 2007, which are not reflected in the FY 2004 base year ○ Legislator Services and interim committee work ○ Present law adjustments
♦	The Legislative Branch budget is established as biennial

Funding

The following figure summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2007 Biennium Legislative Budget				
Agency Program	General Fund	State Spec.	Grand Total	Total %
20 Legislative Services	\$ 9,480,922	\$ 1,237,760	\$ 10,718,682	52.36%
21 Legis. Committees & Activities	618,562	-	618,562	3.02%
27 Fiscal Analysis & Review	2,583,939	-	2,583,939	12.62%
28 Audit & Examination	<u>3,687,566</u>	<u>2,863,163</u>	<u>6,550,729</u>	<u>32.00%</u>
Grand Total	<u>\$ 16,370,989</u>	<u>\$ 4,100,923</u>	<u>\$ 20,471,912</u>	<u>100.00%</u>

The Legislative Branch is funded with general fund except for state special revenue appropriations that support costs associated with the state broadcasting service; the preparation, publication, and distribution of Montana Code Annotated text and annotations; and the Audit and Examination Program.

The Legislative Branch budget is presented in annual format for budget review only; the budget is established as biennial to respond to the need to manage the branch cyclical expenditures and revenues.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	50.80	0.20	0.00	51.00	0.20	0.00	56.17	56.17
Personal Services	2,984,223	301,641	0	3,285,864	362,801	0	3,347,024	6,632,888
Operating Expenses	1,445,739	469,395	200,000	2,115,134	364,670	0	1,810,409	3,925,543
Equipment	98,375	(3,124)	0	95,251	(33,375)	0	65,000	160,251
Total Costs	\$4,528,337	\$767,912	\$200,000	\$5,496,249	\$694,096	\$0	\$5,222,433	\$10,718,682
General Fund	3,708,761	729,313	200,000	4,638,074	1,134,087	0	4,842,848	9,480,922
State/Other Special	819,576	38,599	0	858,175	(439,991)	0	379,585	1,237,760
Total Funds	\$4,528,337	\$767,912	\$200,000	\$5,496,249	\$694,096	\$0	\$5,222,433	\$10,718,682

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Funding

The Legislative Services Program is funded with general fund and state special revenue that supports costs associated with the state broadcasting service as well as the preparation, publication, and distribution of Montana Code Annotated text and annotations.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
	-----Fiscal 2006-----					-----Fiscal 2007-----			
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				301,641					362,801
Inflation/Deflation				(2,527)					(2,526)
Fixed Costs				83,577					87,380
Total Statewide Present Law Adjustments				\$382,691					\$447,655
DP 2 - Audio Recordings as Committee Minutes									
0.00	30,251	0	0	30,251	0.00	0	0	0	0
DP 12 - Increase Branch Personnel Services FTE									
0.20	0	0	0	0	0.20	0	0	0	0
DP 50 - LSD Program Operations									
0.00	327,338	27,632	0	354,970	0.00	516,166	(269,725)	0	246,441
Total Other Present Law Adjustments									
0.20	\$357,589	\$27,632	\$0	\$385,221	0.20	\$516,166	(\$269,725)	\$0	\$246,441
Grand Total All Present Law Adjustments				\$767,912					\$694,096

DP 2 - Audio Recordings as Committee Minutes - The legislature approved \$30,251 general fund for continuation of audio recordings of session committee hearing minutes into the 2007 biennium.

DP 12 - Increase Branch Personnel Services FTE - The legislature approved 0.20 FTE to be combined with an existing 0.80 FTE and establish a full-time position to provide in-house personnel services to the Legislative Branch. The Legislative Council approved funding for this position during the 2005 biennium in June 2004; there is no funding impact associated with this decision package.

DP 50 - LSD Program Operations - The legislature approved an increase over the biennium of \$600,000 for cyclical costs associated with support of the 2007 legislative session not reflected in even-numbered base years, such as preparation and publication of the Montana Codes Annotated and other legislative publications, temporary staff, copying, and office supplies.

New Proposals

New Proposals										
Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Interim School Funding Study (Biennial)										
20	0.00	200,000		0	0	200,000	0.00	0	0	0
Total	0.00	\$200,000		\$0	\$0	\$200,000	0.00	\$0	\$0	\$0

DP 101 - Interim School Funding Study (Biennial) - The legislature approved a biennial appropriation of \$200,000 general fund to support an interim study on school funding. The appropriation is contingent upon passage and approval of a bill directing an interim study of the school funding formula.

Language

The legislature approved the following language for inclusion in HB2:

“Interim School Funding Study is contingent upon passage and approval of a bill directing an interim study of the school funding formula.”

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	0.97	0.00	0.00	0.97	0.00	0.00	0.97	0.97
Personal Services	54,584	40,416	0	95,000	(22,454)	0	32,130	127,130
Operating Expenses	277,858	46,874	0	324,732	(111,158)	0	166,700	491,432
Total Costs	\$332,442	\$87,290	\$0	\$419,732	(\$133,612)	\$0	\$198,830	\$618,562
General Fund	332,442	87,290	0	419,732	(133,612)	0	198,830	618,562
Total Funds	\$332,442	\$87,290	\$0	\$419,732	(\$133,612)	\$0	\$198,830	\$618,562

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Funding

This program is funded with general fund.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				19,852					19,899	
Inflation/Deflation				(77)					(75)	
Total Statewide Present Law Adjustments				\$19,775					\$19,824	
DP 51 - Legislative Committees & Activities Pgm Operations	0.00	138,896	0	0	138,896	0.00	(79,556)	0	0	(79,556)
DP 106 - Eliminate dues for Council of State Governments	0.00	(71,381)	0	0	(71,381)	0.00	(73,880)	0	0	(73,880)
Total Other Present Law Adjustments										
	0.00	\$67,515	\$0	\$0	\$67,515	0.00	(\$153,436)	\$0	\$0	(\$153,436)
Grand Total All Present Law Adjustments				\$87,290					(\$133,612)	

DP 51 - Legislative Committees & Activities Pgm Operations - The legislature approved an additional \$59,340 general fund over the biennium for costs associated with the Legislative Council, Environmental Quality Council, and eight interim committees.

DP 106 - Eliminate dues for Council of State Governments - The legislature reduced the agency budget by \$145,261 general fund over the biennium to eliminate dues for the Council of State Governments.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	18.50	0.00	0.00	18.50	0.00	0.00	18.50	18.50
Personal Services	1,130,237	101,333	0	1,231,570	97,988	0	1,228,225	2,459,795
Operating Expenses	40,574	(1,002)	0	39,572	43,998	0	84,572	124,144
Total Costs	\$1,170,811	\$100,331	\$0	\$1,271,142	\$141,986	\$0	\$1,312,797	\$2,583,939
General Fund	1,170,811	100,331	0	1,271,142	141,986	0	1,312,797	2,583,939
Total Funds	\$1,170,811	\$100,331	\$0	\$1,271,142	\$141,986	\$0	\$1,312,797	\$2,583,939

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Funding

This program is funded with general fund.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				101,333					97,988
Inflation/Deflation				(1,002)					(1,002)
Total Statewide Present Law Adjustments				\$100,331					\$96,986
DP 57 - LFD Program Operations									
0.00	0	0	0	0	0.00	45,000	0	0	45,000
Total Other Present Law Adjustments									
0.00	\$0	\$0	\$0	\$0	0.00	\$45,000	\$0	\$0	\$45,000
Grand Total All Present Law Adjustments				\$100,331					\$141,986

DP 57 - LFD Program Operations - The legislature approved \$45,000 in FY 2007 for cyclical operating costs associated with support of the 2007 legislative session that are not reflected in the base year. Costs include payment of staff overtime, temporary services, printing, photocopy pool costs, office supplies, and interim study committees and activities.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	54.50	0.00	0.00	54.50	0.00	0.00	54.50	54.50
Personal Services	2,962,946	184,338	(58,830)	3,088,454	180,942	(53,539)	3,090,349	6,178,803
Operating Expenses	152,125	39,120	0	191,245	28,556	0	180,681	371,926
Total Costs	\$3,115,071	\$223,458	(\$58,830)	\$3,279,699	\$209,498	(\$53,539)	\$3,271,030	\$6,550,729
General Fund	1,843,171	(64,763)	0	1,778,408	65,987	0	1,909,158	3,687,566
State/Other Special	1,271,900	288,221	(58,830)	1,501,291	143,511	(53,539)	1,361,872	2,863,163
Total Funds	\$3,115,071	\$223,458	(\$58,830)	\$3,279,699	\$209,498	(\$53,539)	\$3,271,030	\$6,550,729

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Legislative Budget Analysis, A-11

Funding

The Audit & Examination Program is funded by a combination of general fund and state special revenue appropriations. Special revenue is derived through the assessment, to agencies, of federally approved hourly rate charges for audit services.

The Legislative Audit Division budget is presented in annual format for budget review only. The budget is established as biennial to respond to the need to responsibly manage branch cyclical expenditures and revenues.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					184,338					180,942
Inflation/Deflation					(2,101)					(2,065)
Fixed Costs					5,504					5,504
Total Statewide Present Law Adjustments					\$187,741	\$184,381				
DP 10 - LAD Cyclical Adjustments										
	0.00	19,606	15,194	0	34,800	0.00	13,634	10,566	0	24,200
DP 58 - LAD Program Operations										
	0.00	541	376	0	917	0.00	541	376	0	917
Total Other Present Law Adjustments										
	0.00	\$20,147	\$15,570	\$0	\$35,717	0.00	\$14,175	\$10,942	\$0	\$25,117
Grand Total All Present Law Adjustments					\$223,458	\$209,498				

DP 10 - LAD Cyclical Adjustments - The legislature approved an increase of \$59,000 over the biennium for cyclical costs associated with the peer review required by government auditing standards, on-site audit training costs, and contract services for the use of actuary expertise on audits of retirement systems.

DP 58 - LAD Program Operations - The legislature approved \$917 each year of the biennium for use of the motor pool.

New Proposals

New Proposals										
Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Apply vacancy savings										
28	0.00	0	(58,830)		0 (58,830)	0.00	0	(53,539)		0 (53,539)
Total	0.00	\$0	(\$58,830)		\$0 (\$58,830)	0.00	\$0	(\$53,539)		\$0 (\$53,539)

DP 101 - Apply vacancy savings - The legislature approved the application of vacancy savings to the Legislative Audit Division reducing state special revenue by \$58,830 in FY 2006 and \$53,539 in FY2007, for total reduction of \$112,369.